

I want to thank Representative *Inslee* for taking this special order tonight on the very first night of the new Congress, the 110th Congress which is going to be so historic. And Speaker *Pelosi*

's remarks today about energy independence for our country just rang so true. In a district like ours, which is a major new solar manufacturer, as well as wind turbine manufacturer and research region of the country. Coming from the auto belt, you don't think about that. But yet we are a biofuels leader. We have four plants being built now, both soy diesel and corn-based ethanol within our radius of 25 miles of our major community of Toledo, and in fact, some of them right in Toledo .

And I wanted to just take a few minutes, if I might, and I thank Congressman *Blumenauer* and Congressman

Holt

. These gentlemen who are with us tonight are really the new age energy thinkers for our country, and I am really so happy to join you on this first night that we are here together.

And I just wanted to put on the record some interesting information that I have been sharing in the committees that I serve on. This particular chart talks about total petroleum consumption in our country, and looks at the growing share of imported petroleum as a percentage of everything that we consume.

And of course, since the beginning of the Bush administration, is consuming one billion more barrels of oil per year, largely imported. Imports now constitute nearly three-quarters of what we use in this economy. Americans need to understand that. And over a period of time, from the beginning of the 90s, the share of imports has just risen until where now it comprises a majority of what we consume. This is a diminishing resource. Actually it is a dirty resource.

And I wish to place on the record tonight an article that was in The Financial Times back in December that lists the major companies in the world that are privately held. And I won't read the whole list tonight, except to say, of the top 20 companies, three-quarters are all oil companies, and they are not based in the . So all this money that the is spending on an imported product could be invested here at home in the new technologies that these fine gentlemen and I are talking about tonight.

Just to give you an idea, Saudi Aramco is number one on the list. Its value, estimated market value, is three-quarters of \$1 trillion. \$781 billion. And of course, has been a very important back up supplier to our country. I wish it were not so, but we have become very addicted to that supplier.

Petroleos Mexicanos, that oil and gas company worth \$415 billion, our hard earned dollars flowing to that privately held company.

I won't go through all of them, but the next, Number 3 on the list, and the gentleman discussed Latin America, is Venezuelan Petroleum, valued at \$388 billion.

Go down to Kuwait Petroleum, Number 4, \$378 billion. Malaysian Petroleum, \$232 billion. The idea is you go down and then you get into the companies financing this import, such as the Carlisle Group which has moved up now at \$71 billion to Number 22 on the list. So I would like to submit this to the record. The top three-quarters of these companies, the top 20 largest privately held companies in the world are all oil and gas. I wanted to make sure this was placed on the record tonight, and to say that as the author of the first title in any farm bill in American history, a biofuels title, Title IX, we have been incentivizing at a very small level, about \$23 million, not billion, \$23 million dollars a year, efforts to try to help agriculturalists across this country own the future. It has been such a fight. And I heard the gentleman saying earlier this evening, finally, I think Mr. *Blumenauer* said, after 12 years, we finally have a chance to uncork this really developing answer for our Nation. And we hope that with the new farm bill and with the leadership of Congressman Colin Peterson, who is the right man at the right time in the right committee in the right country, from the Red River Valley of Minnesota, in the farm bill that will be produced this year, that we will be able to piece together the solutions that we know exist.Â Â Â Â Â Â Â

FT NON-PUBLIC 150

Company

Country

Sector

Estimated Market Value as of Dec 2005(\$bn)

Type

Type (1)

1

Saudi Aramco

Saudi Arabia

Oil gas

781

S

State owned

2

Petr leos Mexicanos (Pemex)   

Mexico

Oil gas   

415   

S   

State owned

3  

Petr leos de Venezuela SA   

Venezuela

Oil gas   

388   

S   

State owned

4%

Kuwait Petroleum Corporation

Kuwait

Oil gas

378%

S

State owned

5%

Petroleum Nasional Berhad (Petronas)

Malaysia

Oil gas

232

S

State owned

6

Sonatrach

Algeria

Oil gas

224

S

State owned

7

National Iranian Oil Company

Iran

Oil gas

220

S

State owned

8

Japan Post

Japan

Postal services

156

S

State owned

9

Pertamina

Indonesia

Oil gas

140

S

State owned

10

Nigerian National Petroleum Corporation

Nigeria

Oil gas

120

S

State owned

11

Abu Dhabi National Oil Company (ADNOC)

UAE

Oil gas

103

S

State owned

12

INOC

Iraq

Oil gas

102

S

State owned

13

Libya National Oil Company

Libya

Oil gas

99Å Å Å

SÅ Å Å

State owned

14

Sparkassen-Finanzgruppe*Å Å Å

Germany

Banking

98Å Å Å

PÅ Å Å

Association

15

State Grid Corporation of China

China

Electric utilities

87%

State owned

State owned

16

Nippon Life Insurance Company

Japan

Insurance

87%

PA

Mutual

17

Kohlberg Kravis Roberts Co

U.S.

Private equity

83%

PA

Partnership

18

Qatar Petroleum

Qatar

Oil gas

78

S

State owned

19

State Farm Mutual Automobile Insurance Company

U.S.

Insurance

76

P

Mutual

20

European Investment Bank

Luxembourg

Banking

73

S

State owned

I will attest and sort of end with this. In our district today, Dr. Al Campaan, the head of Physics at the University of Toledo, has a solar-powered house from equipment made in Toledo. He takes his truck, with six batteries home, maybe eight, every night. He drives it from the university back home and he plugs it into his house. The technology exists in Toledo, Ohio. He drives it the next morning, a fully charged truck, back into the University of Toledo.

As we move to develop the technology of future, I would just recommend to those who are listening tonight, here in the Chamber and elsewhere, a wonderful book by a former decorated

CIA agent, Robert Baer, for whom I have great admiration. He retired. He is in his 50s. We have probably had no better human intelligence officer throughout the Middle East and Central Asia. He wrote a book, *Sleeping with the Devil*.

When I read that book, I thought I have to meet this man, because he is speaking my language. The life he lived is very different than the life that we have lived, but he looked the problem straight in the eye. The subtitle of the book is: "How Washington Became Addicted to Saudi Crude."

And I think it is important to note that the American people know this. They want us to do something. They want us to help transform the country. And I thank all my dear colleagues for allowing me these few minutes on the floor this evening. I was not intending to come here, but you have hit sort of the bull's eye of what this Member of Congress has been involved in for several years, and you could not be on a more important job creation, environmentally right set of initiatives for this country, and it will be a joy to be here working with you on this.

I want to agree with what the gentleman is saying, and look back at the last century, which was the century of hydrocarbons. This century will be the century of carbohydrates and unlocking the power of the carbohydrate molecule in a way we have never understood it before.

Those who came before us were on this track but got derailed from it. In the early part of the 20th century, in our district, we had a car that was kind of famous called the Clyde car. It was built by the Clyde Bicycle Works, and it was built around 1898 or 1902, somewhere in there. You see this Clyde car and you look at the steering wheel and it has two levers on it. One lever is for alcohol-based fuel. You know, they knew how to build stills back then. And the other is for petroleum-based fuel. And I have been amazed to open the trunk of the car and see two different fuel tanks and think, my gosh, how did we move from that, which was what the gentleman was talking about, choice at the pumps and choice of vehicles, and where we are today. Because certain people made certain choices.

I just mention that particular example and say that as our industries and our small businesses try to bring up these new technologies, what the gentlemen are saying tonight, Mr. *Inslee*, Mr. *Blumenauer*, and Mr. *Holt*

about financing and the tax aspects of this, if you look at certain farmers in Ohio who have tried let's say to raise the capital to build a plant, amazing things are happening that are not so good out there.

The big buck players come in and they offer people on the board money so they never bring up that production, because there is an effort by those who are currently big buck dealers, in alcohol-based fuels, let's say, to want to control the market just like the oil companies are controlling the market. We see that some farmers do not have the organizational structure that they need in order to own some of this so that our rural communities across America will be able to find new value added and lift themselves to a new economic future.

I think, and I am not sure that everyone on the Agriculture Committee agrees with me on this yet, but we need some type of loan guarantee program or long-term financing in a structure like the Federal Land Banks or our Rural Electrics, which we started years ago, so that we have a system that is long term and permits them to stay in business so that some big buck operator does not come in, drive the price down in a given small market, and not permit them to be able to bring up and let this industry flower.

So the tax and financing aspects that we have been talking about are very, very important.

I also just wanted to say something about the science, as a member of the Agriculture Committee. It is amazing that in 2007, we do not know, in terms of row crop production, how to get the most yield out of a carbohydrate-based plant and a planting system that does the least damage to the atmosphere and yields the most combustible product.

For example, everyone is into ethanol from corn because we have subsidized corn up to here. But what about beans that have more oil? What about canola? What about castor? We stopped growing castor beans because of the by-product of ricin. But could we biogenetically take ricin out of castor beans and get more oil per acre?